

Amendment No. 1 to HB1134

Crawford
Signature of Sponsor

AMEND Senate Bill No. 1034*

House Bill No. 1134

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Section 5-6-109, is amended by deleting the language "prepared in accordance with the provisions of title 8, chapter 19, to be approved by the county legislative bodies" and substituting instead "prepared, executed, filed, and recorded in accordance with title 8, chapter 19".

SECTION 2. Tennessee Code Annotated, Section 5-13-103(c)(2), is amended by deleting the subdivision and substituting instead:

(2) The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 3. Tennessee Code Annotated, Section 5-14-103(c)(2), is amended by deleting the subdivision and substituting instead:

(2) The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 4. Tennessee Code Annotated, Section 5-21-109(d), is amended by deleting the subsection and substituting instead:

(d) The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 5. Tennessee Code Annotated, Section 8-8-103, is amended by deleting the section and substituting instead:

Before entering into the duties of the office, the sheriff shall take an oath to support the constitutions of this state and of the United States, and an oath of office

pursuant to § 8-8-104. The sheriff shall execute an official bond in an amount of one hundred thousand dollars (\$100,000), or such greater amount as the county legislative body by resolution may determine. The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 6. Tennessee Code Annotated, Section 8-9-103, is amended by deleting the section and substituting instead:

Before entering into the duties of the office, the coroner shall execute an official bond in an amount of two thousand five hundred dollars (\$2,500) or such greater amount as the county legislative body by resolution may determine. The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 7. Tennessee Code Annotated, Section 8-10-106(a), is amended by deleting the subsection and substituting instead:

(a) Before entering into the duties of the office, the constable shall take an oath to support the constitutions of this state and of the United States, and an oath of office, pursuant to § 8-10-108. Each constable shall execute an official bond in an amount of four thousand dollars (\$4,000) or such greater amount as the county legislative body by resolution may determine. The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 8. Tennessee Code Annotated, Section 8-11-102, is amended by deleting the section and substituting instead:

Before entering into the duties of the office, the county trustee shall take an oath to support the constitutions of this state and of the United States, and an oath of office. The county trustee shall execute an official bond in at least the minimum amount required by § 8-11-103. The county legislative body may by resolution require a greater amount of bond for the county trustee than the minimum required by § 8-11-103. The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter

19. The county legislative body may by resolution require that the county trustee enter into an additional bond at any time during the term of office of the county trustee.

SECTION 9. Tennessee Code Annotated, Section 8-11-103, is amended by deleting subsections (d) and (e).

SECTION 10. Tennessee Code Annotated, Section 8-12-102, is amended by deleting the section and substituting instead:

Before entering into the duties of the office, the county surveyor shall take an oath to support the constitutions of this state and of the United States, and an oath of office. The county surveyor shall execute an official bond in an amount of two thousand dollars (\$2,000) or such greater amount as the county legislative body by resolution may determine. The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 11. Tennessee Code Annotated, Section 8-13-102, is amended by deleting the section and substituting instead:

Before entering into the duties of the office, the county register shall take an oath to support the constitutions of this state and of the United States, and an oath of office. The county register shall execute an official bond. The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 12. Tennessee Code Annotated, Section 18-2-201, is amended by deleting subsection (c).

SECTION 13. Tennessee Code Annotated, Section 18-6-101, is amended by adding the following new subsection:

() Before entering into the duties of the office, the county clerk shall take an oath to support the constitutions of this state and of the United States, and an oath of office. The county clerk shall execute an official bond. The bond must be prepared, executed, filed, and recorded in accordance with the provisions of title 8, chapter 19. The amount of the bond must be in the sum of fifty thousand dollars (\$50,000) in

counties with a population of less than fifteen thousand (15,000) and one hundred thousand dollars (\$100,000) in counties with a population of fifteen thousand (15,000) or more, according to the 2020 federal census or a subsequent federal census, or in such greater amount as the county legislative body by resolution may determine.

SECTION 14. Tennessee Code Annotated, Section 9-3-301(c), is amended by deleting the last sentence of the subsection and substituting instead:

The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 15. Tennessee Code Annotated, Section 67-1-505(a), is amended by deleting the subsection and substituting instead:

(a) Before entering into the duties of the office, the county assessor shall take an oath to support the constitutions of this state and of the United States, and an oath of office pursuant to § 67-1-507. Each county assessor shall enter into an official bond, payable to this state, in the sum of fifty thousand dollars (\$50,000) and conditioned as required by § 8-19-111. The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 16. Tennessee Code Annotated, Section 54-4-103(c), is amended by deleting the last sentence and substituting instead:

The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 17. Tennessee Code Annotated, Section 54-7-108, is amended by deleting the section and substituting instead:

Before entering into the duties of the office, the chief administrative officer shall take an oath to support the constitutions of this state and of the United States, and an oath of office. The chief administrative officer shall execute an official bond in an amount of one hundred thousand dollars (\$100,000) or such greater amount as the

county legislative body by resolution may determine. The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 18. Tennessee Code Annotated, Section 8-19-101(d), is amended by deleting the subsection and substituting instead:

(d) County governments shall obtain and maintain blanket surety bond coverage for all county employees not covered by individual bonds referenced elsewhere in statute. The minimum amount of such blanket bonds is one hundred fifty thousand dollars (\$150,000).

SECTION 19. Tennessee Code Annotated, Section 8-19-101(e), is amended by deleting the subsection and substituting instead:

(1) In lieu of a bond, county legislative bodies may elect to obtain and pay the premiums or other costs with respect to a policy of insurance issued by an insurance company duly authorized to do business in this state or an agreement with a pool established pursuant to § 29-20-401 or any entity established pursuant to § 29-20-401(b)(2) for administration of such agreement, that provides government crime coverage, employee dishonesty insurance coverage, or equivalent coverage that insures the lawful performance by officials and their employees of their fiduciary duties and responsibilities. Any such policy or agreement maintained must have limits of not less than four hundred thousand dollars (\$400,000) per occurrence.

(2) A policy or agreement satisfying the requirements set forth in subdivision (e)(1) is deemed to be a blanket bond for each official or office identified in the policy or agreement for all purposes under this chapter.

(3) A certificate of insurance, policy, or endorsement must be recorded in the register's office and then filed with the county clerk.

(4) If the policy of insurance maintained by the county ceases to provide coverage to the officeholder for any reason, the officeholder has thirty (30) days from the

date of termination of coverage to record and file a bond or other proof of insurance coverage.

(5) If a governmental entity obtains and pays premiums on an insurance policy or agreement pursuant to this subsection (e), then the monetary limits pursuant to the Tennessee Governmental Tort Liability Act, compiled in title 29, chapter 20, do not increase.

SECTION 20. Tennessee Code Annotated, Section 8-19-102(a), is amended by deleting the subsection and substituting instead:

(1) A county official who is required by law to give an official bond shall execute such bond when the bond becomes available after election or appointment to office, but not later than thirty (30) days from the beginning of the term of office. The effectiveness of an official bond relates back to the beginning of the term of office so long as it is executed within the time allowed by law.

(2) The county legislative body shall appropriate sufficient funds to pay the premiums on the official bonds of county officials and such employees of the county that are required by law to be bonded. Each county shall competitively bid the purchase of official bonds and other surety bonds. Blanket bonds must be used unless such bonds are unavailable or circumstances require the bonding of an individual separately from the blanket bond agreement. A county shall only purchase bonds from a surety company authorized to do business in this state as surety. If no surety company is willing to serve as surety for a particular person who is required to give bond, the county legislative body may by resolution authorize either the use of personal sureties for such person with such personal sureties to be approved by the county mayor, or the use of a cash bond approved by the county mayor with the cash to be deposited with the county trustee.

(3) Notwithstanding another law to the contrary, the county legislative body is not required to approve an official bond or surety bond of a county official or employee on or

after July 1, 2023. However, this does not remove the authority of the county legislative body to require bond amounts in excess of the statutory minimum as provided by law.

(4) The official county bond forms and other bonds required pursuant to this section must be made available for execution at the office of the county clerk.

(5) Each county official or employee required to execute an official bond or surety bond, other than bonds required by law to be approved by judges or chancellors, shall submit the bond for approval by the county mayor in accordance with § 8-19-112, and if sufficient and regular, the county mayor shall approve the bond in accordance with § 8-19-113.

(6) The bond of the county mayor must be approved by the judge of the court of general sessions in the county or the judge of the first division of such court if the county has more than one (1) general sessions court judge.

(7) If the bond of a county official or employee is disapproved, the approving authority shall inform the county clerk and the person executing the bond of the insufficiency or irregularity, and a new bond must be executed and submitted to the approving authority for approval. After approval, the approving authority shall transmit the approved bond to the county clerk who shall record the executed and approved official bond of each county official and surety bond of each county employee required to give bond with the county register of deeds, and, after recording, the county clerk shall file these bonds in the office of the county clerk.

(8) This part does not apply to notaries public.

(9) This part does not apply to a special deputy sheriff bonded pursuant to § 8-8-303.

SECTION 21. Tennessee Code Annotated, Title 8, Chapter 19, is amended by deleting Sections 8-19-104 and 8-19-118 – 8-19-120.

SECTION 22. Tennessee Code Annotated, Section 8-19-115, is amended by deleting the section and substituting instead:

Official bonds, including blanket bonds, and each rider or attachment thereto, required by law to be filed in the office of the county clerk or secretary of state, must be filed within thirty (30) days after the election or appointment of the person named in the bond, rider, or attachment.

SECTION 23. Tennessee Code Annotated, Section 8-19-117, is amended by deleting the section and substituting instead:

An officer required by law to give an official bond who fails to execute the bond when the bond is available and transmit the bond to the proper officer for approval within thirty (30) days from the time the bond becomes available for execution, forfeits the office and a vacancy in the office occurs, whether or not the officer has taken an oath of office. It is the duty of the officer who is to receive the executed official bond to certify the failure to execute and transmit the bond in the time required by this section to the official or body who has the power to elect or appoint a successor to the office.

SECTION 24. Tennessee Code Annotated, Section 8-16-104, is amended by deleting the section and substituting instead:

Every notary public, before entering upon the duties of office, shall give bond executed by a surety company authorized to do business in this state. If a notary public cannot obtain a bond executed by a surety company authorized to do business in this state, the county legislative body may approve two (2) or more good sureties in lieu of a bond from a surety company. The bond must be in the penalty amount of ten thousand dollars (\$10,000), payable to this state, conditioned upon the faithful discharge of the notary's duties. The notary public shall present the executed official bond to the county clerk in the county where elected. The county clerk shall review the bond presented by the notary public for compliance with this section, and upon the clerk's satisfaction of compliance with this section, shall file the bond in the office of the county clerk. A person elected a notary public that performs an official act as a notary public prior to filing a bond as required by this section commits a Class C misdemeanor.

SECTION 25. Tennessee Code Annotated, Section 8-15-102, is amended by deleting the section and substituting:

Such auditor must be employed by a committee of not less than three (3), appointed by the county legislative body from the members of the legislative body, which committee shall require the accountant so employed to furnish bond for the faithful performance of the accountant's duties. The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 26. Tennessee Code Annotated, Section 54-9-119, is amended by deleting the last sentence and substituting instead:

The bond must be prepared, executed, filed, and recorded in accordance with title 8, chapter 19.

SECTION 27. If any provision of this act or the application of it to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this act that can be given effect without the invalid provision or application, and to that end, the provisions of this act are declared to be severable.

SECTION 28. This act takes effect July 1, 2023, the public welfare requiring it.